

8 June 1988

MEMORANDUM FOR: Executive Director

FROM: Daniel A. Childs, Jr.  
Comptroller

SUBJECT: Comments on Agency Position Classification System

REFERENCE: Memo to ExDir fm HRMC Task Force, dtd 31 May 1988,  
Same Subject

1. I do not have any major problems with these proposals, but want to repeat my earlier concerns about the need for management discipline. If, as I suspect, we experience growing pains during implementation, we will require some means to detect jumps in average grade and unexpected budget shortfalls before the last minute. Thus, I believe some mechanism needs to be in place to monitor implementation of these proposals. In addition, before we implement the changes, we need to give 30-days notice to the congressional committees. HPSCI, in particular, may view these as important changes in an area of special interest. (A-IUO)

2. Before we make these changes, and particularly before we begin the budget control testbeds (recommendation d), which I understand may be implemented in OD&E and the FBIS Production Group, I recommend that a team from OP, OF, and my office work through the plan in detail so that we can identify as many remaining pitfalls as possible before the experiment is launched. (A-IUO)

3. Please let me know if you need anything further on this subject. (A-IUO)

Daniel A. Childs, Jr.

DCI  
EXEC  
REG

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SUBJECT: Comments on Agency Position Classification System

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D/Comptroller

(8 June 88) (Compt 88-828) (DCompt #1405)

31 MAY 1988

MEMORANDUM FOR: Executive Director

FROM: Human Resource Modernization and  
Compensation Task Force

SUBJECT: Agency Position Classification System

1. ACTION REQUESTED: That you approve the recommendations contained in paragraph 3.

2. BACKGROUND: The system now used by the Agency for position classification is essentially the same as that used by most federal agencies. Each General Schedule position is classified using nine evaluation factors to determine the appropriate grade and title for the position. The process is time consuming and must be repeated each time a position is established, transferred, upgraded, downgraded or retitled. The nine factors used by the Office of Personnel Management (OPM) do not fit our needs very well, and they are followed more in the breach than the observance. More often than not, the process results in serious disagreement between managers who do not fully understand the system, and position classifiers who are responsible for implementation. Even more questionable is that it is the Office of Personnel and not management which distributes promotion headroom or grade points, and it does so basically on a first-come first-serve basis.

To overcome these deficiencies, the Office of Personnel has developed a new process designed to improve, expedite, and bring more direct line management involvement to our position classification process. This process, which we have reviewed and support, includes the following significant changes:

a. Distribution of grade points in line with the allocation of new positions and SIS ceiling for use at Deputy Directors' discretion.

b. Development of generic position classification standards or benchmarks at the full performance level, the senior/expert level, and the manager level in a written style that permits easy use by Agency managers. The Office of Personnel, in conjunction with Agency managers, has tested this process by developing benchmarks for one occupation in each Career Service: Operations Officer in the Directorate of Operations, Analyst in the Directorate of Intelligence, Budget and Finance Officer in the Directorate of Administration, Project Management Engineer in the

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## SUBJECT: Agency Position Classification System

Directorate of Science and Technology, and Attorney in the E Career Service. In developing these benchmarks we have used an Agency-unique five factor position classification system rather than the OPM nine factor system. As a result of our work on these five occupations, totalling almost 5,000 positions, we are encouraged that the feasibility and utility of this approach has been established.

c. Decentralize position classification authority to operating officials as soon as classification standards are developed for an occupation. Average grade constraints will continue to assure necessary central control. New employees are generally hired below the full performance level in an occupation where they are expected to reach a full performance level after appropriate training and experience. Accordingly, the practice of classifying positions below the full performance grade level is deemed unnecessary and would be discontinued.

The Office of Personnel would continue to work with components on a consultative basis, maintaining the currency of occupational standards, and would retain responsibility for random audits to ensure the system is administered equitably and that the general principle of equal pay for equal work is followed.

d. While the three features above will foster efficiency and economy in our position classification program by giving Agency managers direct accountability for their positions, grade points, and job classification actions, more can and should be done. Therefore, it is recommended that the Office of Personnel continue to develop a payroll budget control system that eventually will give operating officials the tools they need to manage their personal services budget. When one prototype has been completed, we recommend it be provided to operating officials to use experimentally, in tandem with existing controls, to refine the model prior to proceeding with further development and possible Agency-wide implementation. We also recommend that one or two components be selected as test beds and manage their personal services budgets using this tool.

3. RECOMMENDATIONS:

a. Grade points be distributed by the EXCOM to each Deputy Director and controlled at the Directorate-level.

APPROVED ( )

DISAPPROVED ( )

SUBJECT: Agency Position Classification System

b. Simplify and decentralize the Agency position classification system by adopting generic position classification standards for each occupation only at the full performance, senior/expert, and manager levels. Once these standards or benchmarks have been developed, allow operating officials to create, upgrade, downgrade, move, and retitle positions so long as the component remains within the approved average grade and ceiling.

APPROVED ( )

DISAPPROVED ( )

c. Employ the Agency-unique five factor position classification standards rather than the OPM nine factor position classification standards.

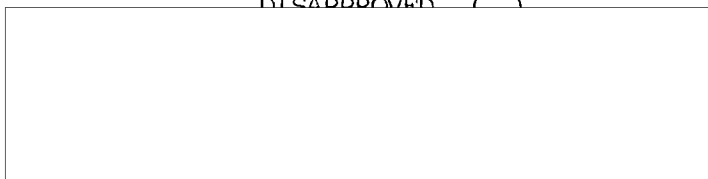
APPROVED ( )

DISAPPROVED ( )

d. Under the direction of the Office of Personnel, continue to develop a budget control system to replace average grade constraints, and identify one or two components to use the tool on a test bed basis as their principal mechanism to control positions and payroll.

APPROVED ( )

DISAPPROVED ( )



Human Resource Modernization  
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